

**MINUTES OF THE
EXECUTIVE APPROPRIATIONS COMMITTEE**
Tuesday, May 16, 2017 • 2:00 p.m. • 445 State Capitol

Members Present:

Sen. Jerry W. Stevenson, Senate Chair
Rep. Dean Sanpei, House Chair
Sen. Kevin T. Van Tassell, Senate Vice Chair
Rep. Bradley G. Last, House Vice Chair
Sen. J. Stuart Adams
Sen. Gene Davis
Sen. Luz Escamilla
Sen. Jani Iwamoto
Sen. Peter C. Knudson
Sen. Karen Mayne
President Wayne L. Niederhauser
Rep. Joel K. Briscoe
Rep. Francis D. Gibson

Rep. Sandra Hollins
Rep. Brian S. King
Rep. Angela Romero
Rep. Brad R. Wilson

Members Absent:

Sen. Ralph Okerlund
Speaker Gregory H. Hughes
Rep. John Knotwell

Staff Present:

Mr. Jonathan Ball, Director
Mr. Steven M. Allred, Deputy Director
Ms. Greta G. Rodebush, Administrative Assistant

Note: A copy of related materials and an audio recording of the meeting can be found at www.le.utah.gov.

1. Call to Order/Approval of Minutes

Chair Dean Sanpei called the meeting to order at 2:18 p.m.

MOTION: Sen. Stevenson moved to adopt the minutes of February 3 and February 15, 2017. The motion passed with a vote of 14-0-6.

Yeas-14

Rep. J. Briscoe
Sen. L. Escamilla
Rep. F. Gibson
Rep. S. Hollins
Sen. J. Iwamoto
Rep. B. King
Sen. P. Knudson
Rep. B. Last
Sen. K. Mayne
Sen. W. Niederhauser
Rep. A. Romero
Rep. D. Sanpei
Sen. J. Stevenson
Rep. B. Wilson

Nays-0

Absent-6

Sen. J. Adams
Sen. G. Davis
Rep. G. Hughes
Rep. J. Knotwell
Sen. R. Okerlund
Sen. K. Van Tassell

2. Federal/Non-federal Grants Procedures and Recommendations

Mr. Gary Syphus, Fiscal Analyst, Office of the Legislative Fiscal Analyst (LFA), explained legislative changes to the federal funds review and approval process as per H.B. 194, Federal Grants Management Amendments (2017 General Session).

2a-Federal Funds Procedures Update
[2a-Federal Funds Procedures Update](#)

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Mr. Sean Faherty, Fiscal Analyst, LFA, discussed the Enterprise Grants Management System.

Mr. Ken Matthews, Federal Assistance Management Officer, Governor's Office of Management and Budget, presented the Federal/Non-federal Grants Report for May 16, 2017.

2b-Federal/Non-federal Grants Summary, May 2017

[2b-Federal/Non-federal Grants Summary, May 2017](#)

MOTION: Sen. Stevenson moved to recommend acceptance of the federal and non-federal grants as outlined on page 1 of the handout entitled, "Federal/Non-Federal Grants Review and Approval" under the heading, "Grants Requiring EAC Review and Recommendation" and dated today, May 16, 2017. The motion passed with a vote of 16-0-4.

Yeas-16

Rep. J. Briscoe
Sen. G. Davis
Sen. L. Escamilla
Rep. F. Gibson
Rep. S. Hollins
Sen. J. Iwamoto
Rep. B. King
Sen. P. Knudson
Rep. B. Last
Sen. K. Mayne
Sen. W. Niederhauser
Rep. A. Romero
Rep. D. Sanpei
Sen. J. Stevenson
Sen. K. Van Tassell
Rep. B. Wilson

Nays-0

Absent-4

Sen. J. Adams
Rep. G. Hughes
Rep. J. Knotwell
Sen. R. Okerlund

3. University of Utah School of Dentistry Intergovernmental Transfers

Mr. Russell Frandsen, Fiscal Analyst, LFA, introduced the University of Utah (U of U) School of Dentistry intergovernmental transfer request for the Medicaid Dental Services for Individuals with Disabilities Program.

Mr. Nathan Checketts, Deputy Director, Utah Department of Health, presented the U of U School of Dentistry Intergovernmental Transfer request and responded to questions.

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3-Request for Dental Intergovernmental Transfer

[3-Request for Dental Intergovernmental Transfer](#)

Dr. Glen Hansen, Associate Dean, U of U School of Dentistry, described the source of funding and the use of funds for the program.

Sen. Peter C. Knudson spoke in support of the program.

MOTION: Sen. Stevenson moved to recommend acceptance of the University of Utah School of Dentistry Intergovernmental Transfers as presented. The motion passed with a vote of 16-0-4.

Yeas-16

Rep. J. Briscoe
Sen. G. Davis
Sen. L. Escamilla
Rep. F. Gibson
Rep. S. Hollins
Sen. J. Iwamoto
Rep. B. King
Sen. P. Knudson
Rep. B. Last
Sen. K. Mayne
Sen. W. Niederhauser
Rep. A. Romero
Rep. D. Sanpei
Sen. J. Stevenson
Sen. K. Van Tassell
Rep. B. Wilson

Nays-0

Absent-4

Sen. J. Adams
Rep. G. Hughes
Rep. J. Knotwell
Sen. R. Okerlund

4. Adopt Revenue Estimates after 2017 G.S. Legislative Actions

Dr. Andrea Wilko, Chief Economist, LFA, presented the report.

4-May 2017 Revenue Estimates after 2017 G.S. Legislative Actions

[4-May 2017 Revenue Estimates after 2017 G.S. Legislative Actions](#)

Dr. Wilko and Mr. Jonathan Ball, Director, LFA, responded to questions.

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MOTION: Sen. Stevenson moved to adopt the revenue estimates as shown on the handout entitled, "May Revenue Estimates in Thousands, FY 2017 - FY 2018" and dated today, May 16, 2017. The motion passed with a vote of 16-0-4.

Yeas-16

Rep. J. Briscoe
Sen. G. Davis
Sen. L. Escamilla
Rep. F. Gibson
Rep. S. Hollins
Sen. J. Iwamoto
Rep. B. King
Sen. P. Knudson
Rep. B. Last
Sen. K. Mayne
Sen. W. Niederhauser
Rep. A. Romero
Rep. D. Sanpei
Sen. J. Stevenson
Sen. K. Van Tassell
Rep. B. Wilson

Nays-0

Absent-4

Sen. J. Adams
Rep. G. Hughes
Rep. J. Knotwell
Sen. R. Okerlund

5. Summary of 2017 G.S. Budget Actions

Mr. Ball gave an overview of the annual report, discussed six principles of better budgeting, and responded to questions.

5b-Budget of the State of Utah FY 2017-18

[5b-Budget of the State of Utah FY 2017-18](#)

Mr. Ben Leishman, Fiscal Analyst, LFA, explained the report's structure.

MOTION: Sen. Stevenson moved to accept the report, "Budget of the State of Utah and Related Appropriations" as a required report under UCA 36-12-13 and to direct staff to distribute the report to all legislators. The motion passed with a vote of 17-0-3.

Yeas-17

Sen. J. Adams
Rep. J. Briscoe
Sen. G. Davis

Nays-0

Absent-3

Rep. G. Hughes
Rep. J. Knotwell
Sen. R. Okerlund

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Sen. L. Escamilla
Rep. F. Gibson
Rep. S. Hollins
Sen. J. Iwamoto
Rep. B. King
Sen. P. Knudson
Rep. B. Last
Sen. K. Mayne
Sen. W. Niederhauser
Rep. A. Romero
Rep. D. Sanpei
Sen. J. Stevenson
Sen. K. Van Tassell
Rep. B. Wilson

Mr. Ball demonstrated how to use "Data Viz," an online data visualization tool. He also referred to the online "Utah Budget Slide Show" that state legislators can use for budget presentations. These tools are located at budget.utah.gov.

6. Homeless Coordinating Committee Report on Awards of Funds

Ms. Kathy Bounous, General Counsel, Director of Legislative Affairs, Department of Workforce Services, representing the State Homeless Coordinating Committee, presented the proposed awards for EAC consideration and responded to questions and feedback from the committee.

6a-Proposed Awards from Homeless to Housing Account

[6a-Proposed Awards from Homeless to Housing Account](#)

6b-Homeless to Housing Reform Account - Award Information to EAC

[6b-Homeless to Housing Reform Account - Award Information to EAC](#)

MOTION: Sen. Stevenson moved to recommend acceptance of the proposed awards from the Homeless to Housing Reform Restricted Account as presented to the committee. The motion passed with a vote of 17-0-3.

Yeas-17

Sen. J. Adams
Rep. J. Briscoe
Sen. G. Davis
Sen. L. Escamilla
Rep. F. Gibson

Nays-0

Absent-3

Rep. G. Hughes
Rep. J. Knotwell
Sen. R. Okerlund

Rep. S. Hollins
Sen. J. Iwamoto
Rep. B. King
Sen. P. Knudson
Rep. B. Last
Sen. K. Mayne
Sen. W. Niederhauser
Rep. A. Romero
Rep. D. Sanpei
Sen. J. Stevenson
Sen. K. Van Tassell
Rep. B. Wilson

7. Report on Proposed Bonding to Fund Transportation Projects

Mr. Brian Wikle, Fiscal Analyst, LFA, reported on proposed bond issuance to fund prison construction and transportation projects. Mr. Wikle and Mr. Ball responded to questions.

7a-Prison and Transportation Debt and Debt Service Scenarios

[7a-Prison and Transportation Debt and Debt Service Scenarios](#)

Mr. Kirt Slaugh, Chief Deputy Treasurer, commented on the proposed bond issuance and responded to questions.

7b-Report from State Treasurer's Office

Mr. Carlos Bracerias, Executive Director, Utah Department of Transportation, presented and distributed a list of recommended Transportation Investment Fund Projects (May 2017). He responded to questions.

7c-UDOT - Estimated Bond Issuance

[7c-UDOT - Estimated Bond Issuance](#)

7d-UDOT Handout on TIF Bond Funding Recommendations

[7d-UDOT Handout on TIF Bond Funding Recommendations](#)

Mr. Kent Millington, Chairman, Transportation Commission, explained the process of prioritizing and approving transportation projects and the Commission's commitment in keeping within constitutional debt limits.

Chair Sanpei noted that the committee had commented on the proposed bond issuance.

8. The Medicaid Claims Payment System

Mr. Frandsen introduced the report.

Mr. Nathan Checketts, Deputy Director, UDOH, gave an update on the replacement of the Medicaid Management Information Systems (MMIS) and a proposed cloud model for completing the system.

Mr. Creighton Carroll, Vice President, Government Affairs, CNSI, presented an overview of the CNSI Cloud Solution and responded to questions.

8-Utah PRISM Project Cloud Discussion

[8-Utah PRISM Project Cloud Discussion](#)

Mr. Checketts responded to questions regarding software licenses, project independence, and operating costs.

Chair Sanpei identified some concerns to consider when moving forward with contract negotiations.

9. Medicaid ACO Report on Current Efforts and Future Plans to Convert to Value-based Payment Arrangements

Mr. Frandsen, Fiscal Analyst, LFA, introduced representatives from the Medicaid accountable care organizations (ACOs).

9-Medicaid ACO Reports on Efforts to Convert to Value-based Payments

[9-Medicaid ACO Reports on Efforts to Convert to Value-based Payments](#)

Mr. Russ Elbel, Medicaid Program Director, SelectHealth, reported on the implementation of value-based payment initiatives.

Chair Sanpei asked the ACOs to respond to his questions about the percentage of direct-care providers that are under an alternative payment mechanism and when the majority of providers would be under a new payment plan.

Mr. Jason Worthen, CEO, Health Choice Utah, responded.

Dr. David Patton, President/CEO, Molina Healthcare of Utah, responded.

Mr. Russ Ebel, Medicaid Program Director, SelectHealth, responded.

Mr. Chad Westover, CEO, University of Utah Health Plans, responded.

10. Other Business/Adjourn

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MOTION: Sen. Stevenson moved to adjourn. The motion passed with a vote of 11-0-9.

Yeas-11

Sen. J. Adams
Rep. F. Gibson
Sen. J. Iwamoto
Rep. B. King
Sen. P. Knudson
Rep. B. Last
Sen. W. Niederhauser
Rep. A. Romero
Rep. D. Sanpei
Sen. J. Stevenson
Rep. B. Wilson

Nays-0

Absent-9

Rep. J. Briscoe
Sen. G. Davis
Sen. L. Escamilla
Rep. S. Hollins
Rep. G. Hughes
Rep. J. Knotwell
Sen. K. Mayne
Sen. R. Okerlund
Sen. K. Van Tassell

Chair Sanpei adjourned the meeting a 4:22 p.m.